



Paper and Wood Procurement Policy

Contents

1. Introduction	3
2. Objective	4
3. Scope	4
4. Targets	5
4.1 Environmental	5
4.2 Traceability	6
4.3 Social	6
5. Reporting	6
6. Policy framework	7
6.1 Biodiversity	7
6.2 Quality and food safety requirements	7
6.3 Environmental/science-based targets	7
6.4 Packaging	7
6.5 Human Rights Policy and Code of Conduct	7
7. Action plan	8
7.1. Certification	8
7.2. Partnerships	8
7.3. Projects	9
Annex 1: Own-brand product categories that are impacted	10
Annex 2: Accepted certification schemes and eco-labels	16
in accordance with ISO 14024:2018 (Type I label)	16

1. Introduction

This document is a revised version of the METRO Paper and Wood Procurement Policy signed in 2016.

Every year 130,000 square kilometres of forest are cut down or burned. This is equivalent to the destruction of an area the size of a football field every 1.4 seconds. The clearing of tropical forests is a big contributor to global climate change and accounts for about 20% of the world's greenhouse gas emissions.

METRO is committed to promoting sustainable forestry and continuously seeks to optimise the purchasing process in order to ensure that it only purchases products containing paper or wood derived from legal and more sustainable sources. METRO is committed to the sustainable use of forestry resources in environmental, social and economic terms.

METRO supports the United Nations Sustainable Development Goals (SDGs) and, with its commitment to sustainability, strives to achieve the global agenda. For this policy, the following goals are particularly relevant:

- SDG 12 (Responsible consumption and production)
- SDG 13 (Climate action)
- SDG 15 (Life on land)
- SDG 17 (Partnerships for the Goals)

This policy describes our paper and wood strategy in terms of objectives, scope, target and geography. The related METRO Paper and Wood Action Plan 2023 implements the policy through actions. The action plan consists of 3 pillars:

1. Certifications
2. Partnerships
3. Projects

2. Objective

METRO's aim is to reduce deforestation in its value chain, contributing to the goal of zero deforestation by responsibly sourcing its timber and paper products as well as products that contain wood or wood fibre, as this is one of the key commodities causing deforestation.

With this policy, METRO wants to contribute to further improving the conditions within its paper and wood value chain by requiring certification of products and establishing strong partnerships with respective business partners. METRO promotes sustainable paper and wood products and aims to provide more transparency within its own paper and wood supply chain.

In addition, METRO aims to contribute to sustainable forest management and enhance reforestation by engaging in partnerships and supporting dedicated projects. Details on these measures will be included in the METRO Paper and Wood Action Plan.

3. Scope

Operational scope

- All METRO operations in all countries, including the International Trading Offices, Rungis Express, Classic Fine Foods and Pro à Pro (for these operations and certain country operations, alternative timelines may apply)

Brand scope

- The focus is on own-brand (private-label) products purchased and sold by METRO
- We will also work with A-brand and other brand suppliers, industry partners and other stakeholders on systematic changes in the market towards more sustainable wood and paper products

Product scope

- Own-brand products in which wood or wood fibre (pulp) accounts for more than 50% of the finished product (in terms of weight) in accordance with Annex 1

4. Targets

METRO aims to improve its product range by continuously optimising environmental and social aspects.

4.1 Environmental

- (1) METRO aims to ensure that, **by 2020, 100% of its own-brand products** made from wood or wood fibre in accordance with the scope originate from legal and responsibly managed forests
- (2) For **countries** in which the **market is still challenging**, a **later target year of 2023** applies. In accordance with our action plan approach, we continue to work closely with our business partners, certification schemes, NGOs, customers and others to transform the market to make the sourcing and consumption of paper and wood products more sustainable.

This is ensured when:

- The material is harvested in compliance with applicable legislation in force in the country of harvest (e.g. harvest rights)
- The forest has been managed in compliance with the principles of sustainable forest management, which balances social, economic and ecological needs
- Traditional and civil rights of indigenous people, local communities and workers who benefit from the forest management and production are respected and protected
- Ecosystems, biodiversity and ecological processes are maintained or restored, especially regarding forests of high conservation value
- A proper management plan and a corresponding monitoring process are implemented and documented

Compliance with the criteria on legal and sustainable forest management practices in the supply chain shall be assessed based on the following:

- 1) **Products** that, in accordance with Annex 1, are **made from recycled wood or fibre** are **considered to be sustainable for the purpose of this policy**; additionally, they **can be certified** according to ISO 14024:2018 (Type I label) as per Annex 2 (not a must)
- 2) **Products made from virgin fibre** must be **certified** in accordance with one of the following third-party forest certification schemes:
 - **FSC** (Forest Stewardship Council)
 - **PEFC** (Programme for the Endorsement of Forest Certification)

4.2 Traceability

Business partners must have in place a proper system to **track** and **report** the **origin** of the timber contained in final products made from virgin fibre in order to verify that the timber has been harvested legally. The following traceability information is required for each wooden component of the product:

- (1) **Type** of wood
- (2) **Scientific name** of the tree species
- (3) **Country of origin** of the wood

4.3 Social

METRO is committed to protecting and addressing human and labour rights in its supply chain. Therefore, METRO aims to eliminate any form of slavery and requires that its suppliers at least meet minimum social standards in management practices, as recommended in the [Universal Declaration of Human Rights](#) and the International Labour Organization's Conventions and Recommendations. These are outlined in the [International Labour Organization \(ILO\) Declaration on Fundamental Principles and Rights at Work](#).

Within its own-brand (private-label) supply chain, METRO has set the following goal for 100% of paper and wood products by 2020:

All processing factories must be audited or certified according to one of the accepted social audits/certifications following the requirements of the [METRO Policy for Social Compliance](#).

5. Reporting

METRO will make this policy publicly available.

The progress in achieving the targets will be measured on the basis of the following key performance indicators (KPIs):

- Total number of SKUs in the scope of the policy:
 - Thereof the number of SKUs made from recycled material (e.g. FSC/PEFC Recycled, Eco Label, etc.)
 - Thereof the number of SKUs certified by the FSC (100%, mix)
 - Thereof the number of SKUs certified by the PEFC (100%, mix)

6. Policy framework

6.1 Biodiversity

METRO supports the goals of the international Convention on Biological Diversity and contributes to the protection of biodiversity. Therefore, METRO has formulated its [Position on Biodiversity](#) and asks all suppliers to adhere to the principles mentioned in the document.

6.2 Quality and food safety requirements

METRO requests that factories have a valid certification and audit report recognised by the [Global Food Safety Initiative](#) (GFSI) to ensure quality standards and maintain food safety.

METRO requires its suppliers to comply with the latest version of the METRO Supplier Qualification and Management Standard (QA036).

6.3 Environmental/science-based targets

METRO is committed to reducing absolute Scope 3 CO₂ emissions (supply chain) by 15% by 2030 compared to 2018. Scope 3 emissions account for more than 90% of our total carbon footprint.

6.4 Packaging

METRO is working on improving its product packaging. Therefore, METRO expects its suppliers to comply with the principles described in the [METRO Packaging Policy](#).

6.5 Human Rights Policy and Code of Conduct

To enhance its business impact and to benefit its customers, society and the environment, METRO has stated its respect for human rights as a fundamental value in its [Human Rights Policy](#) and formulated the [METRO Code of Conduct for Business Partners](#), which it expects all its suppliers to adhere to.

7. Action plan

The METRO Paper and Wood Policy will be supported by the METRO Paper and Wood Action Plan 2025. In this plan, we will outline timelines and actions to meet our targets. The plan will be defined for 18 to 24 months, then reviewed and updated accordingly. The action plan consists of 3 pillars (certifications, partnerships and projects) to ensure relevant actions with the right partners.

7.1. Certification

To achieve the targets of sustainable paper and wood in its own-brand products, METRO refers primarily to the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC). The FSC and PEFC's objective is to protect our forests by promoting sustainable forest management through certification which confirms that the forest is being managed in a way that preserves biological diversity and benefits the lives of local people and workers, while ensuring it sustains economic viability.

Further accepted certifications and eco-labels are listed in Annex 2.

7.2. Partnerships

METRO is working actively on the implementation of its Paper and Wood Procurement Policy together with different stakeholders at both the corporate and country level.

The work in the field of achieving zero net deforestation has shown us that this cannot be done in solo runs. Rather, it is important to cooperate with partners ranging from the private sector to governments to NGOs, smallholders and farmers, and local stakeholders. Therefore, in our eyes, Sustainable Development Goal 17 (SDG 17) – Partnerships for the goals – is one of the most important SDGs because it reminds everyone of the power of partnerships and collaboration to achieve our targets.

The Consumer Goods Forum's Forest Positive Coalition of Action

As a member of the Consumer Goods Forum (CGF), we follow the CGF's 2010 Deforestation Resolution and are committed to helping achieve zero net deforestation, following the WWF definition of zero net deforestation. Moreover, METRO is a member of the Consumer Goods Forum's Forest Positive Coalition of Action¹. Together with other ambitious member companies, we are committed to

¹ <https://www.theconsumergoodsforum.com/environmental-sustainability/forest-positive/>



moving efficiently and quickly towards a 'forest positive' future and understand the need to work collaboratively with multiple stakeholders.

7.3. Projects

METRO is playing an active part within the supply chain of paper and wood fibre to increase the market availability of sustainable paper and wood. We will select projects that:

- Follow certifications and partnerships
- Engage with stakeholders throughout the entire supply chain (including traders)
- Support local farmers

We will continue our partnership with Ecosia², which is a search engine that is pre-installed on all computers at the METRO Campus Düsseldorf. Ecosia invests 80% of its profits in reforestation projects around the world. Nearly 45 million trees have already been planted in this way, and more are being planted every second, as can be seen on the search engine's homepage. A total of 5,500 trees have already been planted thanks to METRO's involvement (status: November 2018).

Further, we will seek collaborations with NGOs – not only for insights and endorsements, but also for them to challenge our policy and actions on sustainable paper and wood procurement within the Forest Positive Coalition of Action.

² <https://www.ecosia.org/?c=en>

Annex 1: Own-brand product categories that are impacted³

Apparel	Baby world	Activity toys
		Baby beds
		Chairs
		Changing tables and mats
		Highchairs
		Furniture
		Music and sounds
		Walkers
	Home textiles	Bed frames and mattresses
		Venetian blinds
	Shoes, luggage and accessories	Clogs
		Men's jewellery
		Unisex jewellery
	Sports	Ice hockey equipment
		Pool/snooker equipment
		Skateboarding equipment
Table tennis equipment		
Business and homeware	Cleaning and laundry care	Clothes hangers
		Laundry accessories
		Waste bins
	Decoration and signage	Frames
		Posters
		Vases
	Shipping, packing and wrapping	Bags
		Cartons
		Gift paper and bags
		Inside protection
		Packing rolls
		Wood

³ This is not an exhaustive list, and is intended solely to offer examples.

	Storage and handling	Basement/cellar/garage storage
		Bedroom storage
		Cabinets and display cases
		General wooden storage
		Ladders
		Shelving and racking
	To build fix and maintain	Hammers
		Chipboard
		Front doors and frames
		Internal doors and frames
		Painting tools
		Wooden floor coverings
Kitchen, cooking and tableware	Gastro/catering equipment	Working and storage
	Home kitchenware	Baking moulds
		Baking utensils
		Cutlery trays
		Cutting boards
		Dish-drying racks
		Food containers
		Small utensils for preparation
		Strainers, bowls, funnels
	Home tableware	Cutlery /Cutlery tray
		Serving dishes
		Serving trays
		Spice grinder
	Professional cookware & utensils	Cutting boards
		Small Preparation Utensils Prof
		Serving Dishes

Office & media	Office furniture	Home Office Furniture
		Office Chair
		Office Furnishing
		Office Furnishing Executive
		Office Meeting Furniture
		Visitor chairs
	Office supplies	Binders
		Binders/files
		Boards
		Boxes
		Business paper
		Calendars
		Clips Tags And Rubber Bands
		Colored Paper
		Collector Albums
		Copy Paper
		Desktop organisers
		Desktop organiser accessories
		Draw Paint Accessories
		Draw Paint Paper and Filing
		Drawing Painting
		Easels
		Files and pockets
		Filing School
		Forms
		Greeting Cards
		Index
Mailing		
Note and flag		
Paper & Notepads		
Paper Rolls		
Pencils		

		Planners and Organizers
		Stamper
Other non-food	Preliminary group non food	Home decoration
		Home improvement
		Seasonal
Seasonal	BBQ and charcoal	Charcoal barbecue
		Barbecue accessories
		Wood-related
	Gardening	Decorations
		Garden sheds
		Garage
		Greenhouses
		Hand tools
		Hand Tools Combi Systems
	Indoor Furniture	Banquet tables/chairs
		Bar games
		Bar/lounge furniture
		Bar stools
		Bar tables
		Bedroom furniture
		Bookcases and shelves
		Coffee tables and Occasional Tables
		Dining chairs
		Dining tables
		Double beds
		Kids' beds
		Kids' furniture
		King-size beds
		Media furniture
		Restaurant

		benches	
		Restaurant chairs	
		Restaurant furniture	
		Restaurant tables	
		Restaurant Table Assemble	
		Sideboards and chests of drawers	
		Single beds	
		Sofas and armchairs	
			Outdoor furniture
	Dining Wood		
	Chairs and Benches		
	Outdoor Rattan Natural		
	Outdoor Seating Wood		
	Outdoor Table		
	Table Top		
	Relaxing Rattan and wicker		
	Relating Wood		
		Party	Party decorations
Tableware licences			
Seasonal		Advent calendars	
		Baskets	
		Chinese zodiac deco	
		Decoration Halloween	
		Nativity scenes	
		Other decoration items	
		Other tree deco items	
Paste paper			
Toys		Castles, forts and	

		accessories
		Construction Wooden Toys
		Educational Wooden Toys
		Family Games
		Other Wooden Toys
		Painting/Colori ng
		Puzzles
		Shopping Sets
		Vehicles
		Weapons
Beauty & personal care	Tissue & hygiene	Kitchen towels
		Toilet Paper
	Tissue	
Professional Tissue & hygiene	Professional Tissue & hygiene	Hand towels
		Tissue
		Toilet paper
Disposables	Tableware	Napkins
		Tablecloth
		Coffee Steerer
		Straws
		Bowels
		Cutlery
		Plates
Cups		

Annex 2: Accepted certification schemes and eco-labels in accordance with ISO 14024:2018 type I label

Label	Comment	Website Link
<p data-bbox="225 533 402 562">EU Ecolabel</p> 	<p data-bbox="467 533 1086 600">Established in 1992, recognised across Europe and worldwide.</p> <p data-bbox="467 607 1086 1057">Ecolabel is a label of environmental excellence that is awarded to products and services meeting high environmental standards throughout their life-cycle: from raw material extraction, to production, distribution and disposal. The Label promotes the circular economy by encouraging producers to generate less waste and CO2 during the manufacturing process. The label criteria encourages companies to develop products that are durable, easy to repair and recycle</p>	<p data-bbox="1112 533 1536 636">http://ec.europa.eu/environment/ecolabel/products-groups-and-criteria.html</p>
<p data-bbox="236 1066 395 1095">Blue Angel</p> 	<p data-bbox="467 1066 1086 1346">The Blue Angel is the ecolabel of the federal government of Germany since 1978. The Blue Angel sets high standards for environmentally friendly product design and has proven itself over the past 40 years as a reliable guide for a more sustainable consumption.</p>	<p data-bbox="1112 1066 1422 1151">https://www.blauer-engel.de/en</p>
<p data-bbox="188 1355 376 1384">Nordic Swan</p> 	<p data-bbox="467 1355 1086 1666">In 1989, the Nordic Swan Ecolabel was created. The purpose was to make it easy for consumers to find environmentally friendly products and for companies to produce them. In the 30 years the Nordic Swan Ecolabel has been around, we have gone from ecolabelling toilet paper and detergents, to houses, grocery stores and funds.</p>	<p data-bbox="1112 1355 1513 1384">http://www.svanen.se/en/</p>
<p data-bbox="188 1675 376 1742">Austrian Eco Label</p> 	<p data-bbox="467 1675 1086 2022">The Austrian Ecolabel addresses itself primarily to consumers but also to manufacturers and public procurement. The ecolabel provides consumers with guidance in order to choose products or services with least hazardous to the environment or health. The ecolabel draws the consumers attention to aspects of environment, health and quality (fitness for use).</p>	<p data-bbox="1112 1675 1544 1809">http://www.ecolabelindex.com/ecolabel/osterreichisches-umweltzeichen-austrian-ecolabel</p>
<p data-bbox="188 2031 344 2060">Milieukeur</p>	<p data-bbox="467 2031 1086 2060">Milieukeur is the Dutch environmental</p>	<p data-bbox="1112 2031 1544 2060">http://www.ecolabelindex.co</p>

Label	Comment	Website Link
<p>Netherlands</p> 	<p>quality label for products and services. There are Milieukeur criteria for a wide variety of food products, consumer products and services, ranging from vegetables, potatoes, fruit, beer, pork, trees and plants to concrete products, fire extinguishers, florists, butchers, green electricity and car washes.</p>	<p>m/ecolabel/milieukeur-ecolabel-the-netherlands https://www.milieukeur.nl/19/home.html</p>
<p>Medio Ambiente Spain:</p>		<p>https://www.en.aenor.com/certificacion/certificaciones-de-aenor</p>
<p>Marque NF Environnement France</p>		<p>http://www.marque-nf.com/?lang=English</p>
<p>Eco Mark Japan</p> 		<p>http://www.ecomark.jp/english/</p>
<p>Korean eco-label Institute:</p> 		<p>http://www.ecolabelindex.com/ecolabel/korean-ecolabel</p>